

# NEWS RELEASE

# THE LIBERTARIAN PARTY

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## The “balanced” budget agreement: It’s shameful evidence of GOP’s retreat

WASHINGTON, DC — The so-called balanced budget agreement — currently sailing through Capitol Hill on a cloud of bipartisan harmony — is the final “nail in the coffin” of Republican claims that they support smaller government, the Libertarian Party charged today.

“With this budget, Republicans have embraced *more* federal spending, *higher* taxes, and a *larger* national debt — while pretending it’s a victory for smaller government,” said Steve Dasbach, Libertarian Party chairman.

The budget agreement, passed by the House on Wednesday and poised for approval by the Senate, has the support of most GOP leaders and President Clinton. It will allegedly balance the budget by 2002, cut taxes by \$85 billion, and cut federal spending by \$1 trillion.

“That’s what politicians claim — but this budget actually *increases* spending, *increases* tax revenue, and *increases* the national debt,” said Dasbach. Specifically, the proposed budget:

- **Increases federal spending by \$70 billion next year** — the biggest one-year spending jump of the Clinton presidency. “It’s even larger than Clinton’s budgets when the Democrats controlled Congress!” said Dasbach.
- **Boosts federal spending** by a total of \$270 billion over five years.
- **Includes billions in new and expanded government programs.** The plan calls for \$22 billion for children’s health insurance; \$37 billion for low-income housing; and billions for welfare, Head Start, and child literacy programs.

Even worse, all of the so-called savings in the budget don’t kick in until 2000 or later.

“So politicians get an orgy of new spending today, while merely *promising* to cut spending tomorrow,” said Dasbach. “This budget is like overweight Republican and Democratic politicians going on an eating binge — and pretending they’ll start their diet next week.”

And worst of all, the budget agreement doesn’t accomplish its one major objective — eliminating the budget deficit. In fact, the proposed budget:

- **Actually increases the deficit for the next two years** — from about \$67 billion this year to \$90 billion in 1998 and 1999.
- **Adds an additional \$300 billion to the national debt over five years.**

“The motto of this budget should be: Let’s worry about it later,” said Dasbach. “Politicians will worry about the national debt later; about real tax cuts later; and about increased federal spending later. For Republicans, that’s not a victory — it’s a shameful sell-out.”

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